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NEWFIELD PRODUCTION COMPANY BECKSTEAD TRUST 16-17-4-2W SE/SE SECTION 17 T4S, R2W DUCHESNE COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

2. <u>ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS</u>:

 Uinta
 0' - 2,060'

 Green River
 2,060'

 Wasatch
 7,090'

 Proposed TD
 7,365'

3. <u>ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:</u>

Green River Formation (Oil) 2,060' – 7,090'

Fresh water may be encountered in the Uinta Formation, but would not be expected below about 350'. All water shows and water bearing geologic units shall be reported to the geologic and engineering staff of the Vernal Office prior to running the next string of casing or before plugging orders are requested. All water shows must be reported within one (1) business day after being encountered.

All usable (<10,000 PPM TDS) water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. This information shall be reported to the Vernal Office.

Detected water flows shall be sampled, analyzed, and reported to the geologic & engineering staff of the Vernal Office. The office may request additional water samples for further analysis. Usage of the State of Utah form *Report of Water Encountered* is acceptable, but not required.

The following information is requested for water shows and samples where applicable:

Location & Sampled Interval Date Sampled Flow Rate Temperature

Hardness pH

Water Classification (State of Utah)

Dissolved Iron (Fe) (ug/l)

Dissolved Sodium (Na) (mg/l)

Dissolved Sodium (Na) (mg/l)

Dissolved Magnesium (Mg) (mg/l)
Dissolved Bicarbonate (NaHCO₃) (mg/l)
Dissolved Carbonate (CO₃) (mg/l)
Dissolved Chloride (Cl) (mg/l)

Dissolved Sulfate (SO₄) (mg/l) Dissolved Total Solids (TDS) (mg/l)

RECEIVED: August 30, 2011

4. <u>PROPOSED CASING PROGRAM</u>

a. Casing Design: BECKSTEAD TRUST 16-17-4-2W

Size	li	nterval	Weight	Grade	Coupling		Design Facto	rs
Size	Тор	Bottom	vveigni	Grade	Coupling	Burst	Collapse	Tension
Surface casing	0'	500'	24.0	J-55	STC	2,950	1,370	244,000
8-5/8"	U	300	24.0	3-55	5	10.52	8.61	20.33
Prod casing	2	7.005	45.5	1.55	1.70	4,810	4,040	217,000
5-1/2"	0'	7,365'	15.5	J-55	LTC	2.05	1.72	1.90

Assumptions:

- 1) Surface casing max anticipated surface press (MASP) = Frac gradient gas gradient
- 2) Prod casing MASP (production mode) = Pore pressure gas gradient
- 3) All collapse calculations assume fully evacuated casing w/ gas gradient
- 4) All tension calculations assume air weight

Frac gradient at surface casing shoe = 13.0 ppg
Pore pressure at surface casing shoe = 8.33 ppg
Pore pressure at prod casing shoe = 8.33 ppg
Gas gradient = 0.115 psi/ft

All casing shall be new or, if used, inspected and tested. Used casing shall meet or exceed API standards for new casing.

All casing strings shall have a minimum of 1 (one) centralizer on each of the bottom three (3) joints.

b. Cementing Design: BECKSTEAD TRUST 16-17-4-2W

Job	Fill	Description	Sacks ft ³	OH Excess*	Weight (ppg)	Yield (ft³/sk)
Surface casing	500'	Class G w/ 2% CaCl	229 268	30%	15.8	1.17
Prod casing	5,365'	Prem Lite II w/ 10% gel + 3%	371	30%	11.0	3.26
Lead	· .	KCI	1196			
Prod casing	2,000'	50/50 Poz w/ 2% gel + 3%	363	30%	14.3	1.24
Tail	_,500	KCI	451	2370	. 1.0	

- *Actual volume pumped will be 15% over the caliper log
- Compressive strength of lead cement: 1800 psi @ 24 hours, 2250 psi @ 72 hours
- Compressive strength of tail cement: 2500 psi @ 24 hours

Hole Sizes: A 12-1/4" hole will be drilled for the 8-5/8" surface casing. A 7-7/8" hole will be drilled for the 5-1/2" production casing.

The 8-5/8" surface casing shall in all cases be cemented back to surface. In the event that during the primary surface cementing operation the cement does not circulate to surface, or if the cement level should fall back more than 8 feet from surface, then a remedial surface cementing operation shall be performed to insure adequate isolation and stabilization of the surface casing.

5. <u>MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL</u>:

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to Exhibit C for a diagram of BOP equipment that will be used on this well.

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

From surface to ± 500 feet will be drilled with an air/mist system. The air rig is equipped with a 6 ½" blooie line that is straight run and securely anchored. The blooie line is used with a discharge less than 100 ft from the wellbore in order to minimize the well pad size. The blooie line is not equipped with an automatic igniter or continuous pilot light and the compressor is located less than 100 ft from the well bore due to the low possibility of combustion with the air dust mixture. The trailer mounted compressor (capacity of 2000 CFM) has a safety shut-off valve which is located 15 feet from the air rig. A truck with 70 bbls of water is on stand by to be used as kill fluid, if necessary. From about ± 500 feet to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCl substitute additive. This additive will be identified in the APD and reviewed to determine if the reserve pit shall be lined. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite

No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh aquifers.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

Newfield Production will **visually** monitor pit levels and flow from the well during drilling operations.

7. <u>AUXILIARY SAFETY EQUIPMENT TO BE USED:</u>

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 500' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +-. A cement bond log will be run from PBTD to cement top. No drill stem testing or coring is planned for this well.

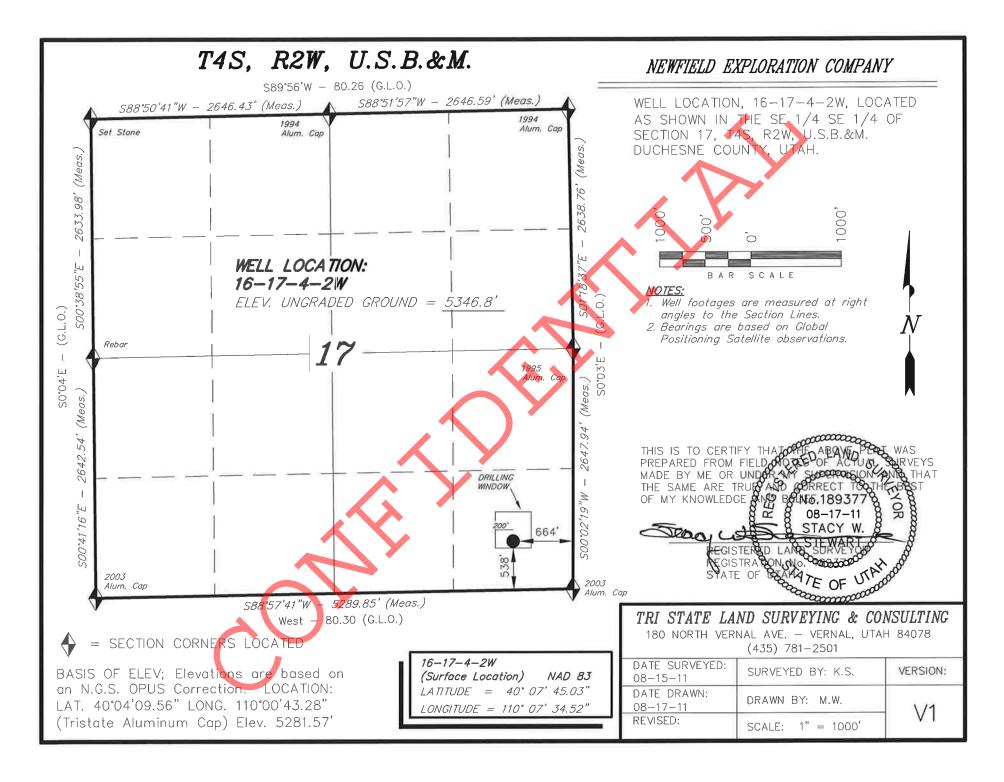
9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

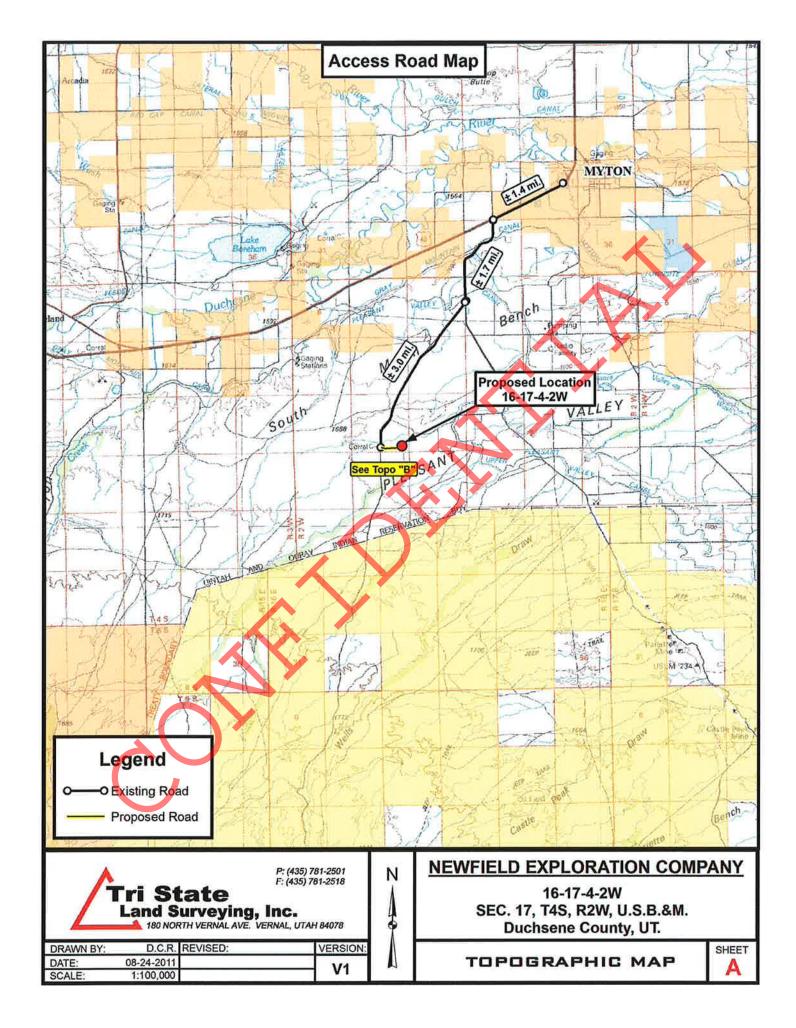
No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

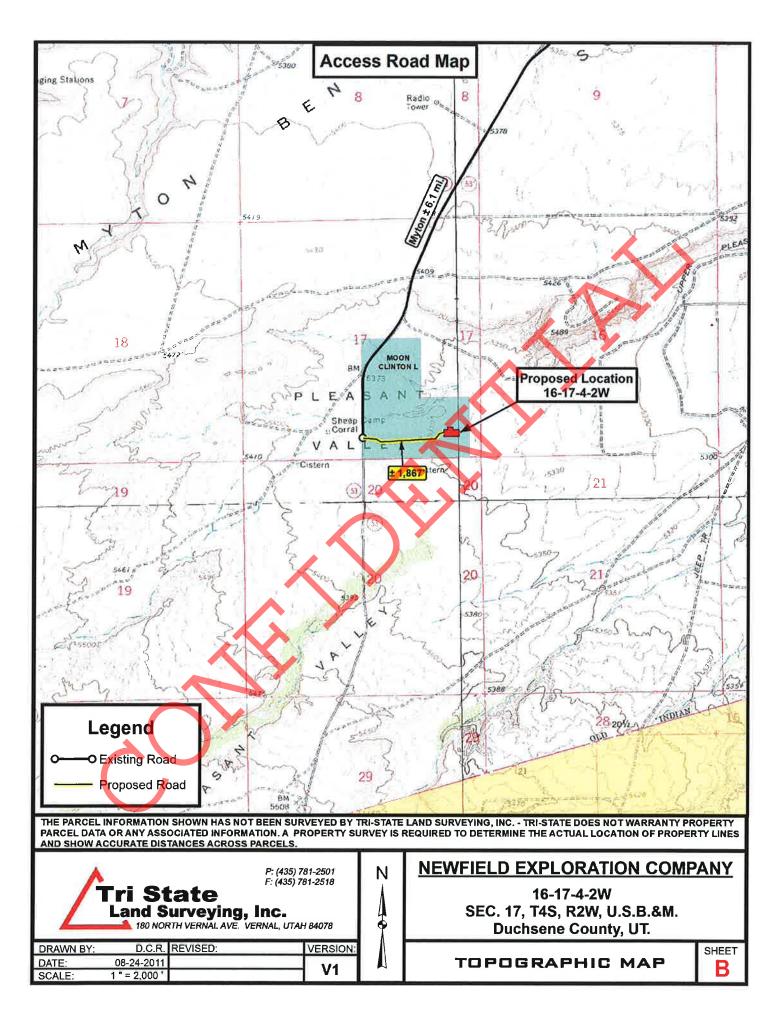
10. <u>ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:</u>

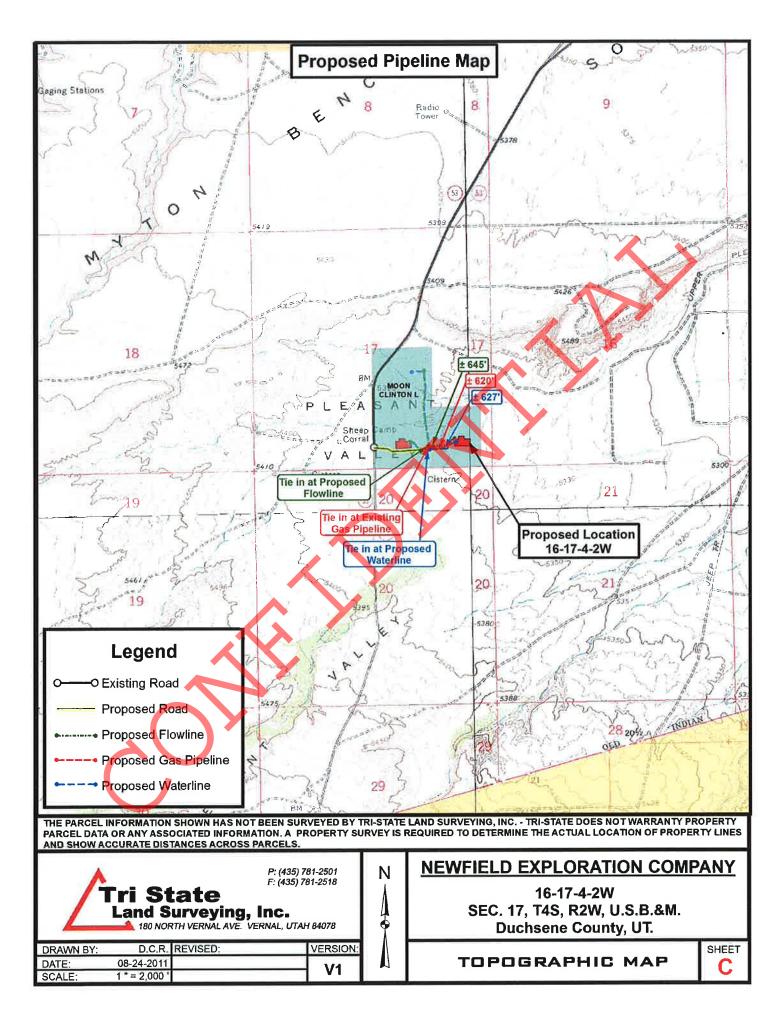
It is anticipated that the drilling operations will commence the fourth quarter of 2011, and take approximately seven (7) days from spud to rig release.



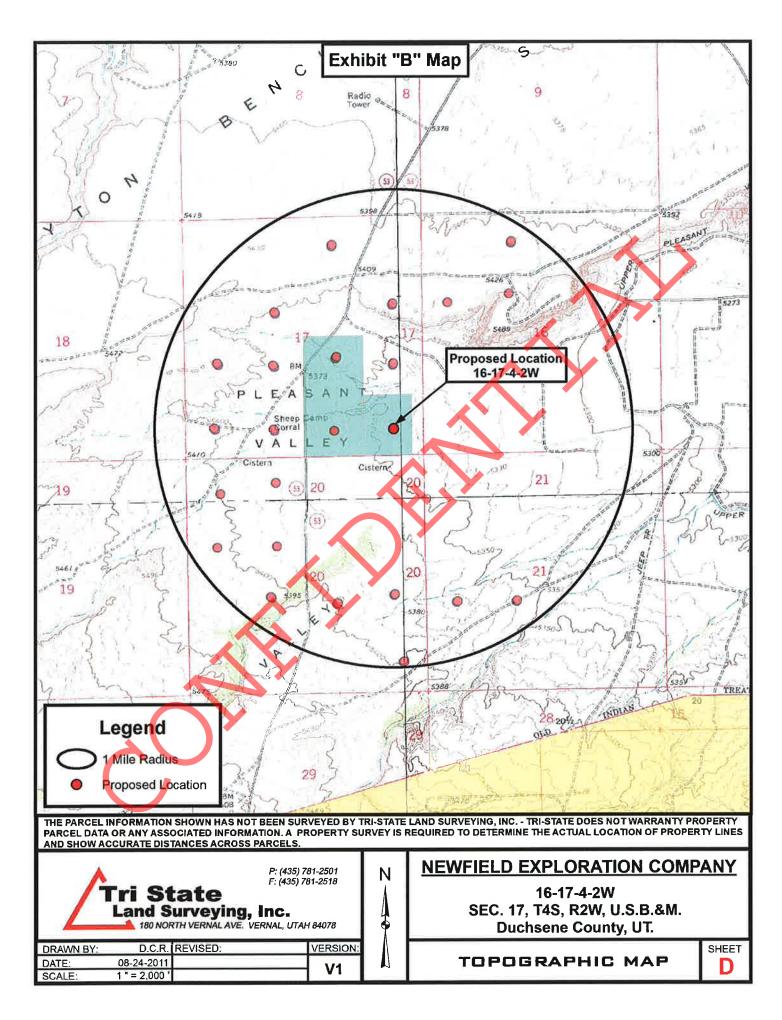








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MEMORANDUM of EASEMENT, RIGHT-OF-WAY and SURFACE USE AGREEMENT

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into this 10 day of Auc., 2011 by and between Clinton L Moon, whose address is HC 64 Box 113 Duchesne, UT 84021 ("Surface Owner," whether one or more) and Newfield Production Company, a Texas corporation ("NEWFIELD"), with offices at 1001 Seventeenth Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Duchesne County, Utah described as follows:

Township 4 South, Range 2 West, USM Section 9: SW1/4 Section 17: SE1/4 SE1/4

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of All Claims

Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, leases, assigns, and conveys to NEWFIELD an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for two years from date of this agreement and so long thereafter as NEWFIELD's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

These Parties hereto have executed this document effective as of the day first above written.

SURFACE OWNER

NEWFIELD PRODUCTION COMPANY

ву; _____

Page 1 of 2

STATE OF UTAH	
COUNTY OF Duches De)ss	
This instrument was acknowledged before me Clinton L Moon, Private Surface Owner.	e this 104h day of August, 2011 by
Witness my hand and official seal.	JEFF HENDERSON Notary Public, State of Utah Commission # 602635 My Commission Expires November 10, 2014
My commission expires //-/0-/4	Notary Public
STATE OF COLORADO))ss	
COUNTY OF DENVER)	Y
	e this day of, 2011 by Newfield Production Co.
a Texas corporation, on behalf of the corporation.	
Witness my hand and official seal.	
X	Notary Public
My commission expires	

Page 2 of 2

NEWFIELD PRODUCTION COMPANY BECKSTEAD TRUST 16-17-4-2W SE/SE SECTION 17, T4S, R2W DUCHESNE COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. **EXISTING ROADS**

See attached Topographic Map "A"

To reach Newfield Production Company well location site Beckstead Trust 16-17-4-2W located in the SE ¼ SE ¼ Section17, T4S, R2W, S.L.B. & M., Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.4 miles \pm to the junction of this highway and UT State Hwy 53; proceed southwesterly -4.7 miles \pm to it's junction with the beginning of the proposed access road to the east; proceed in a easterly direction along the proposed access road -1.867' \pm to the proposed well location.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads for access during the drilling, completion and production phase will be maintained at the standards required by the State of Utah, or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

Approximately 1,867 of access road is proposed. See attached **Topographic Map "B"**.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

RECEIVED: August 30, 2011

Refer to **EXHIBIT B**.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

5. LOCATION AND TYPE OF WATER SUPPLY

Newfield Production will transport water by truck for drilling purposes from the following water sources:

Johnson Water District Water Right: 43-10136

Maurice Harvey Pond Water Right: 47-1358

Neil Moon Pond Water Right: 43-11787

Newfield Collector Well

Water Right: 47-1817 (A30414DVA, contracted with the Uintah County Conservancy District).

There will be no water well drilled at this site

6. SOURCE OF CONSTRUCTION MATERIALS

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

METHODS FOR HANDLING WASTE DISPOSAL

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. A 16 mil liner with felt will be required. Newfield requests approval that a flare pit be constructed and utilized on this location.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Newfield's secondary recovery project.

Water not meeting quality criteria, is disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

8. **ANCILLARY FACILITIES:**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT:**

See attached Location Layout Sheet.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

0. PLANS FOR RESTORATION OF SURFACE:

a) Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from

the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) **Dry Hole Abandoned Location**

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP: Clinton Moon.

See attached Memorandum of Easement, Right of Way, and Surface Use Agreement.

12. **OTHER ADDITIONAL INFORMATION:**

Newfield Production Company requests 1,867' of planned access road to be granted. **Refer to Topographic Map "B".** Newfield Production Company requests 620' of surface gas line to be granted. Newfield Production Company requests 627' of buried water line to be granted.

It is proposed that the disturbed area will be 60' wide to allow for construction of the proposed access road, a 10" or smaller gas gathering line, a 3" poly fuel gas line, a buried 3" steel water injection line and a buried 3" poly water return line. The planned access road will consist of a 18' permanent running surface (9' either side of the centerline) crowned and ditched in order to handle any run-off from any precipitation events that are prevalent to this area. The maximum grade will be less than 8%. There will be no culverts required along this access road. There will be turnouts as needed along this road to allow for increases in potential traffic issues. There are no fences encountered along this proposed road. There will be no new gates or cattle guards required. All construction material for this access road will be borrowed material accumulated during construction of the access road.

Both the proposed surface gas and buried water lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** The proposed water pipelines will be buried in a 4-5' deep trench constructed with a trencher or backhoe for the length of the proposal. The equipment will run on the surface and not be flat bladed to minimize surface impacts to precious topsoil in these High Desert environments. If possible, all proposed surface gas pipelines will be installed on the same side of the road as existing gas lines. The construction phase of the planned access road, proposed gas lines and proposed water lines will last approximately (5) days.

In the event that the proposed well is converted to a water injection well, a Sundry Notice form will be applied for through the State of Utah DOGM.

Surface Flow Line

Newfield requests 645' of surface flow line be granted. The Surface Flow Line will consist of up to a 14" bundled pipe consisting of 2-2" poly glycol lines and 1-3" production line. For all new wells, Newfield. **Refer to Topographic Map "C"** for the proposed location of the proposed flow line. Flow lines will be tan and will be constructed using the following procedures:

Clearing and Grading: No clearing or grading of the ROW will be required. The centerline of the proposed route will be staked prior to installation. Flow lines shall be placed as close to existing roads as possible without interfering with normal road travel or road maintenance activities. Due to the proximity of existing facilities, no temporary use or construction/storage areas are anticipated. If necessary, temporary use or construction/storage areas will be identified on a topographic map included in the approved permit.

<u>Installation:</u> The proposed flow lines will be installed 4-6" above the ground. For portions along existing two-track and primary access roads, lengths of pipe will be strung out in the borrow ditch,

welded together, and rolled or dragged into place with heavy equipment. For pipelines that are installed cross-country (not along existing or proposed roads), travel along the lines will be infrequent and for maintenance needs only. No installation activities will be performed during periods when the soil is too wet to adequately support installation equipment. If such equipment creates ruts in excess of three (3) inches deep, the soil will be deemed too wet to adequately support the equipment.

<u>Termination and Final Reclamation:</u> After abandonment of the associated production facilities, the flow lines will be cut and removed, and any incidental surface disturbance reclaimed. Reclamation procedures will follow those outlined in the Castle Peak and Eight Mile Flat Reclamation and Weed Management Plan.

- a) Newfield Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Newfield is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Newfield Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations or at any other time without State authorization. However, if State authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable Notice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Newfield Production Company guarantees that during the drilling and completion of the Beckstead Trust 16-17-4-2W, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Beckstead Trust 16-17-4-2W Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATOR'S REPRENSENTATIVE AND CERTIFICATION:

Representative

Name: Tim Eaton

Address: Newfield Production Company

Route 3, Box 3630 Myton, UT 84052

Telephone: (435) 646-3721

Certification

Please be advised that Newfield Production Company is considered to be the operator of well #16-17-4-2W, SE/SE Section 17 T4S, R2W, Duchesne County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #B001834.

I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

8/30/11

Date

Mandie Crozier
Regulatory Analyst
Newfield Production Company

2-M SYSTEM

Blowout Prevention Equipment Systems

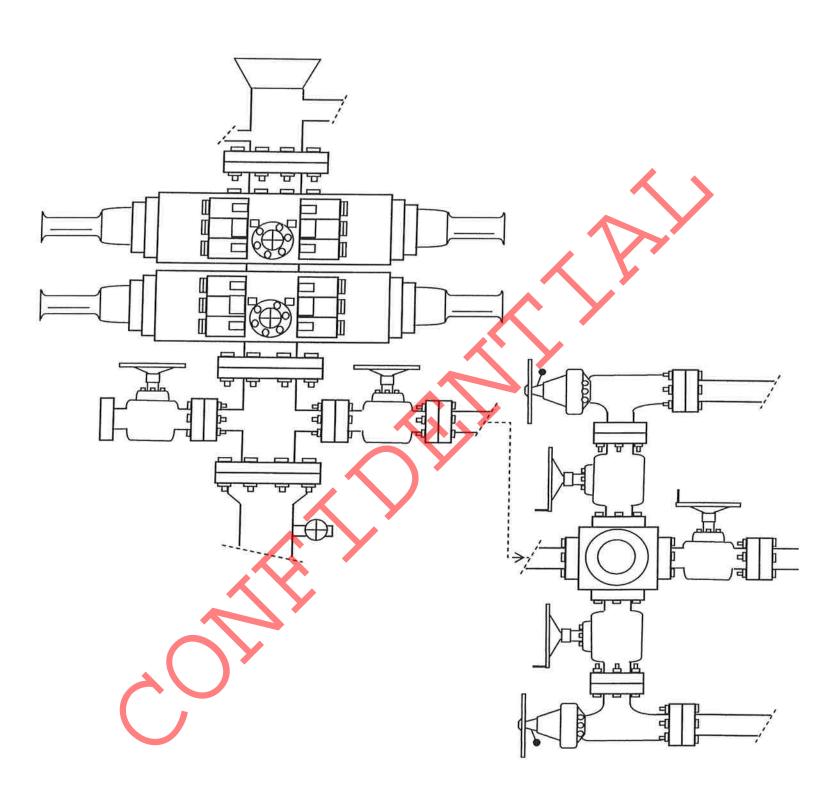
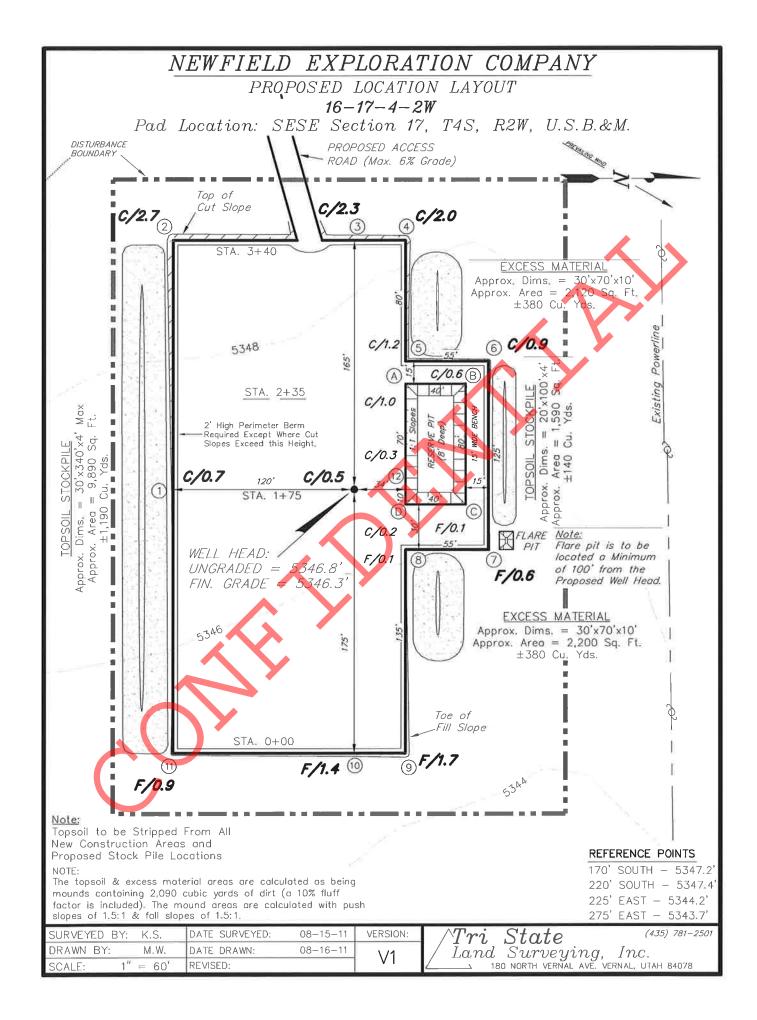
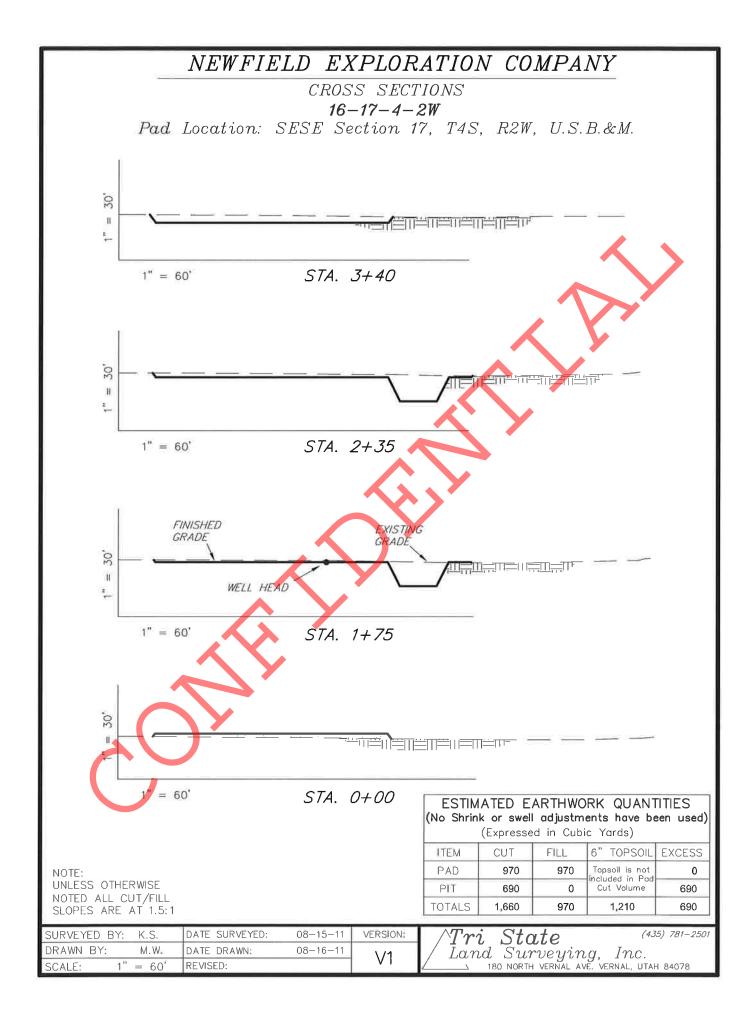
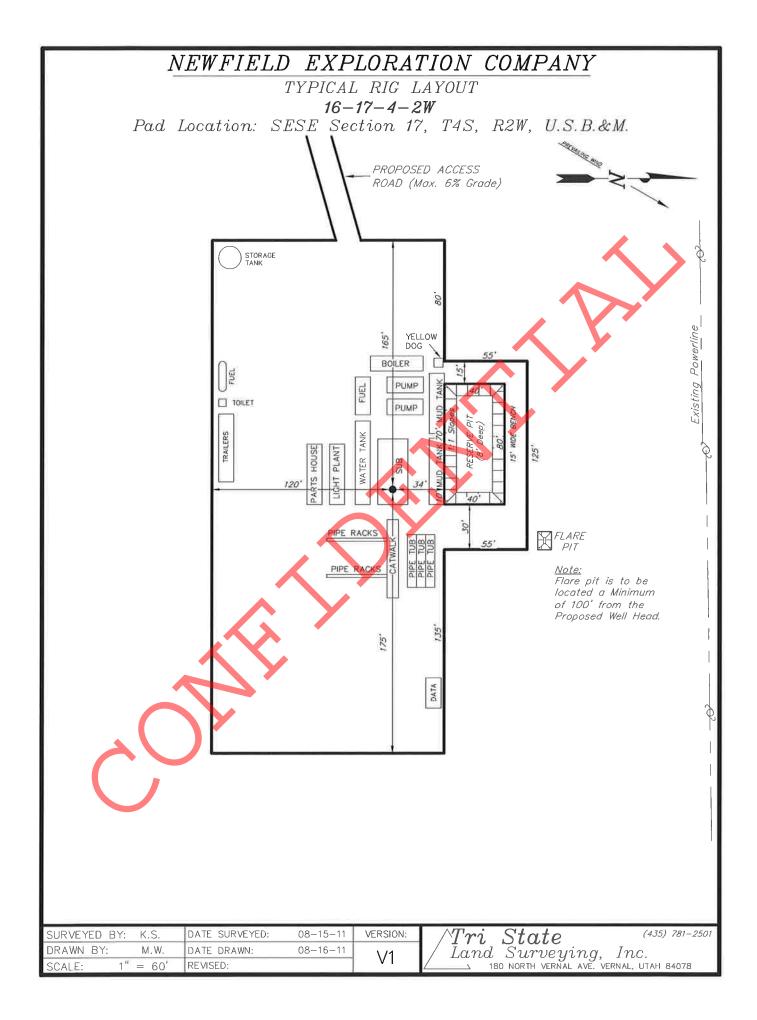
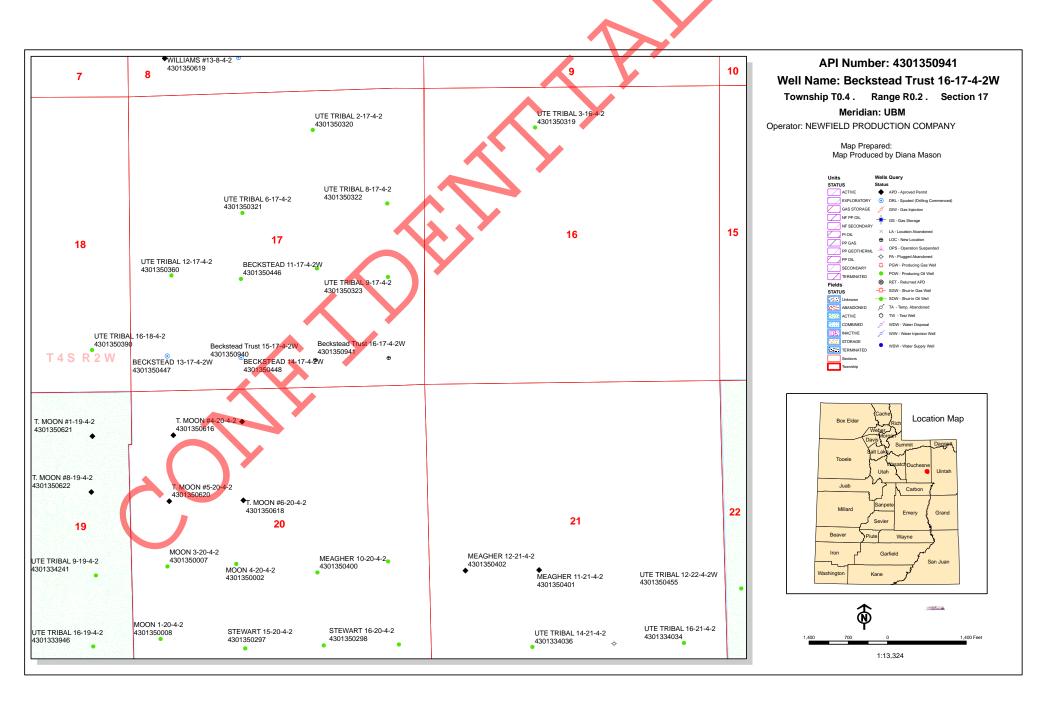


EXHIBIT C





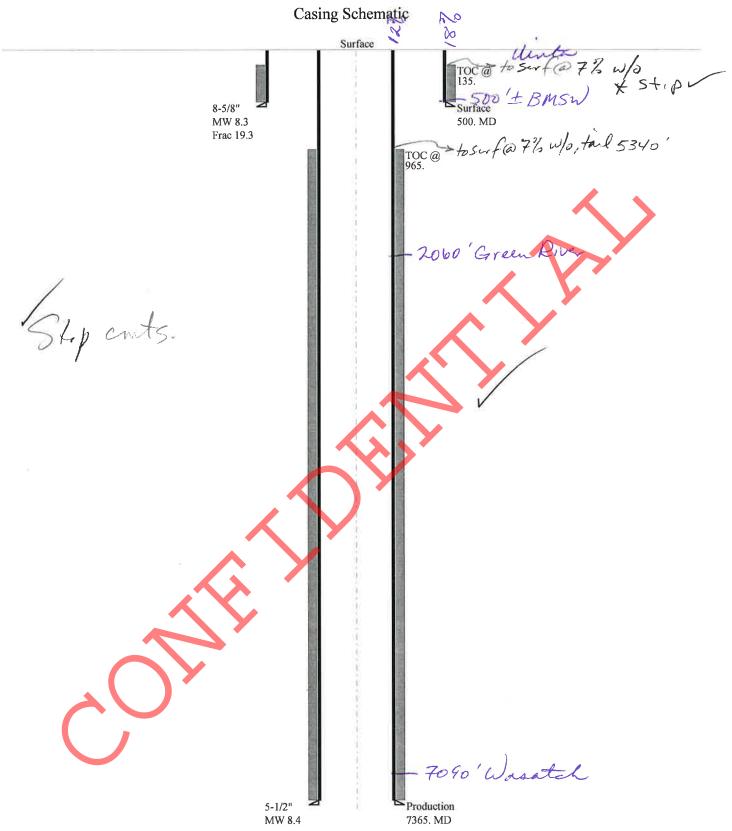




BOPE REVIEW NEWFIELD PRODUCTION COMPANY eckstead Trust 16-17-4-2W 43013509410000

				_				
Well Name		NEWFIELD PRO	DUCTION COMP	PAN	Y Beckstead Tr	rust 16-17-4-	-2W	43
String		Surf	Prod	T				<u>ī</u>
Casing Size(")		8.625	5.500	Ť				
Setting Depth (TVD)		500	7365	Ť		i -		
Previous Shoe Setting Dept	h (TVD)	0	500	Ť		١		
Max Mud Weight (ppg)		8.3	8.3	ľ				1
BOPE Proposed (psi)		500	2000	ľ		i		
Casing Internal Yield (psi)		2950	4810	ľ		ľ		
Operators Max Anticipated	Pressure (psi)	3167	8.3	ľ		H		1
		[2.2.	Į	11.		Į.		<u>-</u>
Calculations		Surf Stri				8.6	25	"
Max BHP (psi)		.0)52*Setting l	Dej	pth*MW=	216		
MASD (C) ()		M DII	D (0.12*C-44		- Donath)			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)			P-(0.12*Sett	_		156	ᅦ	YES air drill
MASP (Gas/Mud) (psi)		Мах ВН	P-(0.22*Sett	ınş	g Depth)=	106	ᆜ	YES OK
Pressure At Previous Shoe	May RHD 22*/C	atting Donth	Dravious C	ho:	a Danth)-		4	*Can Full Expected Pressure Be Held At Previous Shoe?
		betting Deptin	- Previous 3	1100	e Deptii)=	106	ᅦ	NO OK
Required Casing/BOPE Tes		G1				500	丩	psi
*Max Pressure Allowed @ 1	Previous Casing	Shoe=				0	Ш	psi Assumes 1psi/ft frac gradient
Calculations		Prod Str	ing	_		5.5	00	T.
Max BHP (psi)		.0)52*Setting l	Dej	pth*MW=	3179		
								BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		Max BH	P-(0.12*Sett	ing	g Depth)=	2295	3	NØ I
MASP (Gas/Mud) (psi)		Max BH	P-(0.22*Sett	ing	g Depth)=	1559	₹	YES OK
								*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth)=				e Depth)=	1669	_	NO Reasonable for area
Required Casing/BOPE Tes	st Pressure=		. ^			2000	=	psi
*Max Pressure Allowed @ 1	Previous Casing	Shoe=				500	=	psi *Assumes lpsi/ft frac gradient
						,		
Calculations		String		2				"
Max BHP (psi)		.0)52*Setting l	Dej	pth*MW=		ᆜ	DODE 1 D.
MASD (Cos) (nsi)		May DII	P-(0.12*Sett		o Donth)			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)				_			丩	NO
MASP (Gas/Mud) (psi)		Мах ВН	P-(0.22*Sett	ınş	g Depth)=		괵	NO DE LE CONTROL DE LA CONTROL
Pressure At Previous Shoe	May BHD 22*(S	latting Danth	Pravious \$	hoe	a Danth)-		=	*Can Full Expected Pressure Be Held At Previous Shoe?
Required Casing/BOPE Tes		orting Depth	- 11Cvious S	1100	с Берип)=		4	NO Dei
	· ·	Chan					릐	psi *Assumes Insi/ft face are dient
*Max Pressure Allowed @	rrevious Casing	Snoe=						psi *Assumes 1psi/ft frac gradient
Calculations		String	;					"
Max BHP (psi)		.0)52*Setting l	Dej	pth*MW=			
								BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		Max BH	P-(0.12*Sett	ing	g Depth)=			NO
MASP (Gas/Mud) (psi)		Max BH	P-(0.22*Sett	ing	g Depth)=		=	NO
								*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(S	etting Depth	- Previous S	ho	e Depth)=			NO
Required Casing/BOPE Tes	st Pressure=							psi
*Max Pressure Allowed @ 1	Previous Casing	Shoe=						psi *Assumes 1psi/ft frac gradient
							_	

43013509410000 Beckstead Trust 16-17-4-2W



Well name:

43013509410000 Beckstead Trust 16-17-4-2W

Operator:

NEWFIELD PRODUCTION COMPANY

String type:

Project ID:

Surface

43-013-50941

Location:

DUCHESNE COUNTY

> Minimum design factors: **Environment:**

Collapse

8.330 ppg Mud weight: Design is based on evacuated pipe.

Collapse: Design factor

1.125

H2S considered? Surface temperature:

No 74 °F 81 °F

Temperature gradient:

1.40 °F/100ft

Minimum section length:

Bottom hole temperature:

100 ft

Burst:

Design factor

1.00

1.80 (J)

1.70 (J) 1.60 (J)

1.50 (J)

1.50 (B)

Cement top:

135 ft

Burst

Max anticipated surface

pressure: Internal gradient:

Design parameters:

440 psi 0.120 psi/ft

Calculated BHP

No backup mud specified.

500 psi

Tension:

8 Round STC: 8 Round LTC: Buttress:

Premium:

Body yield:

Tension is based on air weight. Neutral point: 437 ft Non-directional string.

Re subsequent strings:

Next setting depth: Next mud weight: Next setting BHP:

7.365 ft 8.400 ppg 3,214 psi 19.250 ppg

Fracture mud wt: Fracture depth: Injection pressure:

500 ft 500 psi

Run Seq	Segment Length (ft) 500	Size (in) 8.625	Nominal Weight (Ibs/ft) 24.00	Grade J-55	End Finish ST&C	True Vert Depth (ft) 500	Measured Depth (ft) 500	Drift Diameter (in) 7.972	Est. Cost (\$) 2573
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	216	1370	6.333	500	2950	5.90	12	244	20.34 J

Prepared

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: February 15,2012 Salt Lake City, Utah

Collapse is based on a vertical depth of 500 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

43013509410000 Beckstead Trust 16-17-4-2W

Operator:

NEWFIELD PRODUCTION COMPANY

String type:

Production

Project ID:

43-013-50941

Location:

COUNTY **DUCHESNE**

> **Environment:** Minimum design factors:

Collapse

Mud weight:

Design parameters:

Collapse: Design factor

H2S considered?

Nο 74 °F

8.400 ppg Design is based on evacuated pipe.

1.125

Surface temperature: Bottom hole temperature: Temperature gradient:

177 °F 1.40 °F/100ft

Minimum section length:

Non-directional string.

100 ft

Burst:

Design factor

1.00

Cement top:

965 ft

Burst

Max anticipated surface

pressure:

1,594 psi

Internal gradient: Calculated BHP

0.220 psi/ft 3,214 psi

Tension: 8 Round STC:

1.80 (J)

8 Round LTC: 1.80 (J) 1.60 (J) Buttress: Premium: 1.50 (J)

Body yield:

1.60 (B)

No backup mud specified.

Tension is based on buoyed weight.

Neutral point:

6,429 ft

Run	Segment		Nominal		End	True Vert	Measured	Drift	Est.
Seq	Length (ft)	Size (in)	Weight (lbs/ft)	Grade	Finish	Depth (ft)	Depth (ft)	Diameter (in)	Cost (\$)
1	7365	5.5	15.50	J-55	LT&C	7365	7365	4.825	26006
Run	Collapse	Collapse	Collapse	Burst	Burst	Burst	Tension	Tension	Tension
Seq	Load	Strength	Design	Load	Strength	Design	Load	Strength	Design
	(psi)	(psi)	Factor	(psi)	(psi)	Factor	(kips)	(kips)	Factor
1	3214	4040	1.257	3214	4810	1.50	99.7	217	2.18 J



Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: February 15,2012 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7365 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator NEWFIELD PRODUCTION COMPANY

Well Name Beckstead Trust 16-17-4-2W

API Number 43013509410000 APD No 4511 Field/Unit UNDESIGNATED

Location: 1/4,1/4 SESE Sec 17 Tw 4.0S Rng 2.0W 538 FSL 664 FEL

GPS Coord (UTM) Surface Owner Coleman Brothers LTD

Participants

M. Jones (UDOGM), T. Eaton (Newfield).

Regional/Local Setting & Topography

Proposed location is on South Myton Bench approximately 6 miles southwest of Myton, Utah. The area is directly southwest of Newfield offices. The area is realtively flat, however drainage in the immediate area of the location is slightly towards the east. The landowner chose not to attend the pre-site inspection, however he is aware of the locations.

Surface Use Plan

Current Surface Use

Grazing

New Road Well Pad Src Const Material Surface Formation

Miles

0.35 Width 154 Length 340 Onsite

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

grasses, sage, 4-wing salt brush.

Soil Type and Characteristics

clay

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? Y

Divert drainages around and away from location and access road.

Berm Required? Y

Berm location to prevent fluids from leaving and or entering location.

2/21/2012 Page 1

Erosion Sedimentation Control Required? N

Reserve Pit

Site-Specific Factors	Site Rank	ing	
Distance to Groundwater (feet)	> 200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	>1320	0	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	/ /
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	20	1 Sensitivity Level

Characteristics / Requirements

Dugout earthen (80' x 40' x 8').

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? N

Other Observations / Comments

Mark Jones 9/21/2011
Evaluator Date / Time

2/21/2012 Page 2

Application for Permit to Drill Statement of Basis

2/21/2012 Utah Division of Oil, Gas and Mining

Page 1

APD No API WellNo Status Well Type Surf Owner **CBM** 4511 43013509410000 **LOCKED** OWNo Coleman Brothers

Surface Owner-APD NEWFIELD PRODUCTION COMPANY Operator

LTD

Well Name Beckstead Trust 16-17-4-2W Unit

Field Type of Work DRILL **UNDESIGNATED**

664 FEL GPS Coord SESE 17 4S 2W U 538 FSL Location

(UTM) 574444E 4442450N

Geologic Statement of Basis

Newfield proposes to set 500' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 500°. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the center of Section 17. Uses for the well are listed as domestic and stock watering. Depth of water production is not listed. The well is over a mile north of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a high volume source of ground water. However the Uinta aquifers are utilized by small farms and ranches and should be protected. Surface casing should be adequate to protect ground water in this area.

> Brad Hill **APD Evaluator**

2/14/2012 Date / Time

Surface Statement of Basis

Proposed location is on South Myton Bench approximately 6 miles southwest of Myton, Utah. The area is directly southwest of Newfield offices. The area is realtively flat, however drainage in the immediate area of the location is slightly towards the east. The landowner chose not to attend the pre-site inspection, however he is aware of the locations. Approximately 1867 feet of upgraded two-track road access will be required, all of which is on the same surface owner. There is a power line that runs nearby the location however should not be impacted by the construction, drilling, completion, or production activities associated with this well.

> Mark Jones Onsite Evaluator

9/21/2011

Date / Time

Conditions of Approval / Application for Permit to Drill

Category

A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in Pits

the reserve pit.

The well site shall be bermed to prevent fluids from leaving the pad. Surface

Surface Drainages adjacent to the proposed pad shall be diverted around the location.

Surface The reserve pit shall be fenced upon completion of drilling operations.

RECEIVED: February 21, 2012

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/30/2011 API NO. ASSIGNED: 43013509410000

WELL NAME: Beckstead Trust 16-17-4-2W

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695) PHONE NUMBER: 435 646-4825

Engineering Review:

CONTACT: Mandie Crozier

SURFACE: 0538 FSL 0664 FEL

PROPOSED LOCATION: SESE 17 040S 020W **Permit Tech Review:**

BOTTOM: 0538 FSL 0664 FEL Geology Review:

COUNTY: DUCHESNE

LATITUDE: 40.12908 LONGITUDE: -110.12624 NORTHINGS: 4442450.00 UTM SURF EASTINGS: 574444.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 4 - Fee

PROPOSED PRODUCING FORMATION(S): GREEN RIVER **LEASE NUMBER:** Fee

SURFACE OWNER: 4 - Fee **COALBED METHANE: NO**

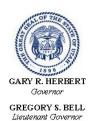
LOCATION AND SITING: **RECEIVED AND/OR REVIEWED:** R649-2-3. ✓ PLAT Bond: STATE/FEE - B001834 Unit: **Potash** R649-3-2. General Oil Shale 190-5 Oil Shale 190-3 R649-3-3. Exception **Drilling Unit** Oil Shale 190-13 Board Cause No: R649-3-2 Water Permit: 437478 **RDCC Review: Effective Date:** Fee Surface Agreement Siting: Intent to Commingle R649-3-11. Directional Drill Commingling Approved

Comments: Presite Completed

Stipulations:

5 - Statement of Basis - bhill23 - Spacing - dmason25 - Surface Casing - hmacdonald

API Well No: 43013509410000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Beckstead Trust 16-17-4-2W

API Well Number: 43013509410000

Lease Number: Fee

Surface Owner: FEE (PRIVATE) **Approval Date:** 2/21/2012

Issued to:

NEWFIELD PRODUCTION COMPANY, Rt 3 Box 3630, Myton, UT 84052

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

API Well No: 43013509410000

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

 Within 24 hours following the spudding of the well contact Carol Daniels OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
 Dustin Doucet 801-538-5281 office
 - 801-733-0983 after office hours
- Dan Jarvis 801-538-5338 office
 - 801-231-8956 after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
 - Well Completion Report (Form 8) due within 30 days after completion or plugging

API Well No: 43013509410000

Approveu by:

For John Rogers Associate Director, Oil & Gas Sundry Number: 35281 API Well Number: 43013509410000

	OTATE OF UTALL		FORM 9
	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES	}	
	DIVISION OF OIL, GAS, AND MININ	IG	5.LEASE DESIGNATION AND SERIAL NUMBER: Fee
SUNDF	RY NOTICES AND REPORTS OF	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly de reenter plugged wells, or to drill horizontan for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: BECKSTEAD TRUST 16-17-4-2W
2. NAME OF OPERATOR: NEWFIELD PRODUCTION CO	OMPANY		9. API NUMBER: 43013509410000
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT		HONE NUMBER: Ext	9. FIELD and POOL or WILDCAT: SOUTH MYTON BENCH
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0538 FSL 0664 FEL			COUNTY: DUCHESNE
QTR/QTR, SECTION, TOWNS	HIP, RANGE, MERIDIAN: 7 Township: 04.0S Range: 02.0W Meridiar	n: U	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
2/21/2013	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	New construction
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:		STIA STATUS EXTENSION	
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
I .	COMPLETED OPERATIONS. Clearly show all to extend the Application for F		Approved by the Utah Division of Oil, Gas and Mining
			Date: March 12, 2013
			By: Bacylll
NAME (PLEASE PRINT) Mandie Crozier	PHONE NUMBER		
SIGNATURE	435 646-4825	Regulatory Tech DATE	
N/A		3/5/2013	

Sundry Number: 35281 API Well Number: 43013509410000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013509410000

API: 43013509410000

Well Name: BECKSTEAD TRUST 16-17-4-2W

Location: 0538 FSL 0664 FEL QTR SESE SEC 17 TWNP 040S RNG 020W MER U

Company Permit Issued to: NEWFIELD PRODUCTION COMPANY

Date Original Permit Issued: 2/21/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
• Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No
nature: Mandie Crozier Date: 3/5/2013

Signature: Mandie Crozier **Date:** 3/5/2013

Title: Regulatory Tech Representing: NEWFIELD PRODUCTION COMPANY



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 5, 2015

Newfield Production Company Rt 3 Box 3630 Myton, UT 84052

Re:

APD Rescinded - Beckstead Trust 16-17-4-2W, Sec. 17, T. 4S, R. 2W

Duchesne County, Utah API No. 43-013-50941

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 21, 2012. On March 12, 2013 and February 18, 2014 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 5, 2015.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

William Mason

Environmental Scientist

cc:

Well File

Brad Hill, Technical Service Manager

